H-3108-1 - RELINQUISHMENTS, TERMINATIONS, AND CANCELLATIONS

Format for Decision Vacating Termination of a

Pre-Public Law 83-555 Oil and Gas Lease

IN REPLY REFER TO



United States Department of the Interior BUREAU OF LAND MANAGEMENT

3108 (Office Code) Serial No.

CERTIFIED MAIL--RETURN RECEIPT REQUESTED

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DECISION

:

Oil and Gas

Oil and Gas Termination Notice Vacated Ancillary Information

On June 16, 1994, a termination notice was issued for oil and gas lease (Serial number) because of failure to pay rental in a timely manner.

Public Law 83-555, effective July 29, 1954, required automatic termination of a lease if the annual rental was not paid on time. The June 16, 1994, notice was issued under the procedures established to enforce this law. However, oil and gas lease (Serial number) was issued April 1, 1942, and is not controlled by Public Law 83-555. Therefore, the June 16, 1994, notice is hereby vacated.

The lease records show that the lessee never elected to subject the lease to Public Law 83-555. Therefore, the lease remains subject to the mineral leasing law in effect prior to July 29, 1954, under which the lessee's failure to pay annual rental on time subjects the lease to cancellation only after the lessee has been given notice that 30 days are allowed in which to pay the past due rental that was not timely paid.

In the instant case, the rental was due April 1, 1994, but was not paid until April 14, 1994. Although the payment was late, it was made before this office issued a notice to the lessee requiring payment within 30 days. Therefore, the late payment eliminates the necessity of sending such a notice, and lease (Serial number) is in good standing with rental paid through March 31, 1995.

Authorized Officer

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